SECRET

CIA Library

NEAR EAST/AFRICA BRANCH

INTELLIGENCE SUMMARY

For Neek Ending 18 August 1948

Vol. III No. 32

Doçument No.	0010			
NO CHANGE in DECLASSIFI	Class.			.4
Class. CHANGE	D TO:	TS pr 77	s	C
Date: 3 MAR			11	



SECRET



SECRET

NEAR EAST/AFRICA BRANCH

INTELLIGENCE SUMMARY

For Week Ending 18 August 1948

Vol. III No. 32

GREE CE

The remarkable guerrilla defense of the Grammos massif appears finally to be succumbing to the superior weight of the army. The rebel organization is apparently still functioning, but it is evident that sooner or later the guerrillas will be forced to use the only escape remaining to them-retreat into Albania. Because there is no alternative to this move and because the area involved is now so small, the spotlight of the UN observation teams can be sharply focused and should clearly reveal present Albanian-Soviet policy concerning aid to Markos. However, the end of the Grammos offensive will not mean the end of the guerrilla war. In parts of Greece outside the Grammos area, guerrilla raiding, sabotage, mining, and recruiting have increased. Despite these activities and the fact that the more realistic leaders in Athens recognize that the guerrilla threat to the security of the country will continue for months if not years to come, a certain spirit of optimism is evident in the capital. The first manifestation of this optimism is the beginning of political jockeying by certain deputies designed to terminate the present coalition government. It is probable that by the first of October a change in government will take place, although the new government will hardly be an improvement over the present one. which has been unusually durable and free of partisan excesses.

TURKEY

Five Soviet satellite countries have sent delegations to Turkey during the past two months for the purpose of exploring trade possibilities. The Polish delegation, whose members are high-ranking officers of the Polish Ministry of Economics, and the Czechoslovakian delegation are in a position to make bona fide trade offers to Turkey since they can replace prewar Germany in Turkey's trade picture. However, the other satellites, particuarly Rumania and Bulgaria, whose trade with Turkey prior to World War II was practically nil, will have a difficult time justifying their activity in Turkey on economic grounds alone. Poland and Czechoslovakia have industrial and transportation machinery to offer in exchange for Turkish tobacco and vegetables, but there is nothing in Turkey that would satisfy the other satellites economic requirements.

In all probability Turkey will treat these overtures cooly but correctly in order not to provoke the USSR and will sign trade agreements

SECRET



2.

when such action would be beneficial to Turkish economic interests. But the Turkish Government will be on its guard against any Soviet attempts to penetrate Turkey politically by using satellite economic penetration as a springboard.

PALESTINE

There has been little change in the Palestine situation. The Provisional doverment of Israel (PUI) has shown no disposition to soften its demands for territory allocated to the Arabs by the UN partition resolution, has refused to demilitarize Jerusalem, and has threatened to force the Arab armies out of Palestine if the UN does not soon effect their withdrawal. UN Mediator Bernadotte is greatly concerned over Jewish intransigence and believes that he can make little progress toward negotiating a settlement unless the PGI modifies its extreme position. The Arab refugee problem is straining the economic and political resources of Syria, Lebanon, and Transjordan to such an extent as to endanger the stability of the whole area. The US has taken the position that substantial numbers of refugees could be permitted gradually to return to their homes without endangering Israeli security and that the PGI's failure to cooperate in this matter will greatly increase the difficulty of finding a lasting solution for the Palestine problem.

IRAN

The pro-Soviet Tudeh Party's current activity appears thus far to reflect normal advancement of the long-run Tudeh program for party rehabilitation rather than a Kremlin decision for immediate intensification of Soviet agitation in Iran. In presenting a "twelve-point program" to Prime Minister Hajir this week, Tudeh leaders seised an obvious opportunity to embarrass further a cabinet already under attack from many quarters; the "program" itself was mainly a rehash of old party-line demands for abolition of the US military missions, removal of internal security measures, and social reform. Reports that the Tudeh Party is purging itself of lukswarm members, enforcing stricter party discipline, and strengthening its provincial organization are, of themselves, also unexceptional, in view of the "closing of ranks" being undertaken by Communist and pro-Communist parties throughout the world.

SECRET